Exhibit 300 (BY2008)

PART ONE	
OVERVIEW	
1. Date of Submission:	2006-11-07
2. Agency:	015
3. Bureau:	45
4. Investment Name:	e-Services (eSVS)
5. UPI:	015-45-01-11-01-4691-00

6. What kind of investment will this be in FY2008?
Mixed Life Cycle

7. What was the first budget year this investment was submitted to OMB?
FY2001 or earlier

8. Provide a brief summary and justification for this investment, including a brief description of how this closes in part or in whole an identified agency performance gap.
E-Services established a Web portal-based family of services to promote the goal of conducting IRS transactions with taxpayers and tax practitioners electronically. This project is delivering online electronic services to tax practitioners and other third parties, such as banks and brokerage firms that file Form 1099. Major services include electronic account resolution, transcript delivery, secure e-mail, Modernized e-File capabilities, disclosure authorization, and bulk Tax ID Number matching. Business Systems Modernization fully deployed all e-services Release 1.0 and 2.0 products; they are currently available via Internet. In August 2005, the filing season modifications and upgrade to People Soft software platform will be complete. Once the upgrade and modifications are completed, e-services will transition to routine operations and maintenance. The system allows customers to apply online for electronic filing status and provide basic database maintenance and support online to authorized third parties who have been granted access to disclosure authorization with an approved Power of Attorney. The system allows users to verify a social security number, name, electronic account resolution, and other common services which have been provided using employee resources. The development and implementation of this suite of products and services have been in progress for several years. One of the single most significant benefits to tax practitioners using e-services is the tremendous increase in customer satisfaction in IRS problem resolution. The increase comes directly from the tax practitioner's ability to access information in seconds versus days or weeks. This investment is in the Control Phase of the CPIC process. The e-services project automates existing manual business processes of e-file application transcript acquisition, Taxpayer Identification Number (TIN) lookup against IRS records and taxpayer account inquiry. It changes formerly manual-intensive procedures into automated, rule-based business processes and offerings. Rules will decrease the number of error-prone submissions and will report only the exceptions to the rules. This project will help the IRS to move toward the Congressional goal of achieving customer and employee satisfaction. Taxpayers who e-file have the benefit of quicker refunds, more accurate transaction processing, and access to an array of electronic services.

9. Did the Agency's Executive/Investment Committee approve this request?
yes

9.a. If "yes," what was the date of this approval?
2006-08-09

10. Did the Project Manager review this Exhibit?
yes

11. Project Manager Name:
DeCosta, V'Nell

Project Manager Phone:
202-283-5230

Project Manager Email:
V'Nell.A.DeCosta@irs.gov

12. Has the agency developed and/or promoted cost effective, energy-efficient and environmentally sustainable techniques or practices for this project.

yes	
12.a. Will this investment include electronic assets (including computers)?	
no	
12.b. Is this investment for new construction or major retrofit of a Federal building or facility? (answer applicable to non-IT assets only)	
no	
13. Does this investment support one of the PMA initiatives?	
yes	
If yes, select the initiatives that apply:	

Competitive Sourcing
Expanded E-Government

13.a. Briefly describe how this asset directly supports the identified initiative(s)?	
Expanded E-Government and Competitive Sourcing are two initiatives that apply to e-services investment. E-Services established a Web portal-based family of services to promote the goal of conduction IRS transactions with taxpayers and tax practitioners electronically. Delivering online electronic services. In the processing of identifying resources to support this investment it was identified cost effective to competitive outsource this investment.	
14. Does this investment support a program assessed using OMB's Program Assessment Rating Tool (PART)?	
no	
15. Is this investment for information technology (See section 53 for definition)?	
yes	
16. What is the level of the IT Project (per CIO Council's PM Guidance)?	
Level 2	
17. What project management qualifications does the Project Manager have? (per CIO Council's PM Guidance)	
(1) Project manager has been validated as qualified for this investment	
18. Is this investment identified as high risk on the Q4 - FY 2006 agency high risk report (per OMB's high risk memo)?	
yes	
19. Is this a financial management system?	
no	
19.a. If yes, does this investment address a FFMIA compliance area?	
no	
20. What is the percentage breakout for the total FY2008 funding request for the following? (This should total 100%)	

Hardware	0
Software	0
Services	0

21. If this project produces information dissemination products for the public, are these products published to the Internet in conformance with OMB Memorandum 05-04 and included in your agency inventory, schedules and priorities?	
yes	
22. Contact information of individual responsible for privacy related questions.	
Name	
Thomas Curran	
Phone Number	
215-516-7662	
Title	
Supervisor Information Technology	
Email	

Thomas.Curran@irs.gov

23. Are the records produced by this investment appropriately scheduled with the National Archives and Records Administration's approval?
yes

SUMMARY OF SPEND

1. Provide the total estimated life-cycle cost for this investment by completing the following table. All amounts represent budget authority in millions, and are rounded to three decimal places. Federal personnel costs should be included only in the row designated Government FTE Cost, and should be excluded from the amounts shown for Planning, Full Acquisition, and Operation/Maintenance. The total estimated annual cost of the investment is the sum of costs for Planning, Full Acquisition, and Operation/Maintenance. For Federal buildings and facilities, life-cycle costs should include long term energy, environmental, decommissioning, and/or restoration costs. The costs associated with the entire life-cycle of the investment should be included in this report.

All amounts represent Budget Authority

(Estimates for BY+1 and beyond are for planning purposes only and do not represent budget decisions)

	PY-1 & Earlier	PY	CY
	-2005	2006	2007
Planning Budgetary Resources	0.000	0.425	0.427
Acquisition Budgetary Resources	31.738	3.260	3.280
Maintenance Budgetary Resources	0.000	0.000	0.000
Government FTE Cost	4.859	10.485	10.356
# of FTEs	8	8	8

Note: For the cross-agency investments, this table should include all funding (both managing partner and partner agencies).

Government FTE Costs should not be included as part of the TOTAL represented.

2. Will this project require the agency to hire additional FTE's?
no

PERFORMANCE

In order to successfully address this area of the exhibit 300, performance goals must be provided for the agency and be linked to the annual performance plan. The investment must discuss the agency's mission and strategic goals, and performance measures must be provided. These goals need to map to the gap in the agency's strategic goals and objectives this investment is designed to fill. They are the internal and external performance benefits this investment is expected to deliver to the agency (e.g., improve efficiency by 60 percent, increase citizen participation by 300 percent a year to achieve an overall citizen participation rate of 75 percent by FY 2xxx, etc.). The goals must be clearly measurable investment outcomes, and if applicable, investment outputs. They do not include the completion date of the module, milestones, or investment, or general goals, such as, significant, better, improved that do not have a quantitative or qualitative measure.

Agencies must use Table 1 below for reporting performance goals and measures for all non-IT investments and for existing IT investments that were initiated prior to FY 2005. The table can be extended to include measures for years beyond FY 2006.

Table 1

	Fiscal Year	Strategic Goal(s) Supported	Performance Measure	Actual/baseline (from Previous Year)	Planned Performance Metric (Target)	Performance Metric Results (Actual)
1	2003	X	X	X	X	X
2	2003	X	X	X	X	X
3	2004	Treasury Goal:	During FY04 e-services	Currently, it can	The appropriate	Goal met. The

		Manage the U.S. Government's Finances Effectively. IRS Goal: Service to Each Taxpayer and Service to All Taxpayers	will reduce the time it takes to process an Internet originating Electronic Return Originators (ERO) application (not requiring a fingerprint check) to not exceed 10 days	take as much as 28 days to process an ERO application (not requiring a fingerprint check)	business units will measure the cycle time reduction annually	business unit measures the cycle application timeframe.
4	2004	Treasury Goal: Manage the U.S. Government's Finances Effectively. IRS Goal: Service to Each Taxpayer and Service to all Taxpayers	During FY04 e-services will reduce the time it takes to process an Internet originating DA request to not exceed 1 day	Currently, it can take as much as 25 days to process an ERO application	The appropriate business units will measure the time frame annually	Goal met. The business unit measures the full approval time reduction annually.
5	2005	Treasury Goal: Manage the U.S. Government's Finances Effectively. IRS Goal: Service to Each Taxpayer and Service to all Taxpayers	E-Services will reduce the time for processing a request for a transcript to not exceed 1 day. This is an assessment of cycle delivery time process to provide improved service and offer benefits efficiently, effectively, and appropriately via a shortened cycle time to practitioners, business users, and the taxpaying public.	The name of the measure is Transcript Delivery Cycle time. The previous manual driven process could take up to 30 days.	The appropriate business unit will measure the time frame annually. The system is so quick and easy. Through this feature, preparers can obtain return transcripts, records of account, wage and income documents, and verification of non-filing.	The reviews have confirmed that they are meeting the 1 day timeframe.
6	2005	Treasury Goal: Manage the U.S. Government's Finances Effectively. IRS Goal: Service to Each Taxpayer and Service to all Taxpayers	This is an evaluation of the cycle time for processing Batch cycle for TIN Matching to determine whether the delivered/implemented product met its economic and service intent. Assessment is made to determine if the implemented product achieves full business value and the expected return on investment.	The name of the measure is Process Cycle Time for TIN Matching requests. This incentive product replaces the process which can take up to 30 days to process Batch cycle for TIN matching.	The campus will follow-up via monitoring activities, including reviewing the process, procedures, and deliverables to identify timeframes and variances; testing the system's effectiveness and efficiency for improvement.	Interactive TIN Matching request results are displayed in session. E-Services has reduced the processing of the Bulk TIN Matching requests to not exceed one day.
7	2006	Treasury Goal: Manage the U.S. Government's Finances Effectively.	Reduce the response time for an internet inquiry to the practitioner hot line to not to exceed 3 days	Current response time to a practitioner inquiry can take two weeks to process	The appropriate business units will measure the response time annually	Business units are in compliance with the measures in response to to the

		IRS Goal: Service to Each Taxpayer and Service to all Taxpayers				practitioners inquiry.
8	2006	Treasury Goal: Manage the U.S. Government's Finances Effectively. IRS Goal: Service to Each Taxpayer and Service to all Taxpayers	e-services will reduce the time it takes to process an ERO application (not including fingerprint check) to not to exceed 7 days	Full approval of Electronic Return Originator (ERO) application can take in excess of 28 days	The appropriate business units will measure the full approval time reduction annually	Automated Electronic Fingerprinting has exited Milestones 1 thru 3 and will be installed in to Production 11/13/06.
9	2007	Treasury Goal: Manage the U.S. Government's Finances Effectively. IRS Goal: Service to Each Taxpayer and Service to all Taxpayers	Reduce total cycle time for processing Disclosure Authorization requests to less than 1 day.	Current cycle time for processing Disclosure Authorization requests can take as long a 25 days to process and respond.	The appropriate business units will measure the cycle time frame annually	X
10	2007	Treasury Goal: Manage the U.S. Government's Finances Effectively. IRS Goal: Service to Each Taxpayer and Service to all Taxpayers	e-services, by automating this process, will reduce the error rate to less than 1%.	The current manual process of Disclosure Authorization requests are subject to significant human error.	The appropriate business units will measure the reduction in error rate annually	X

All new IT investments initiated for FY 2005 and beyond must use Table 2 and are required to use the FEA Performance Reference Model (PRM). Please use Table 2 and the PRM to identify the performance information pertaining to this major IT investment. Map all Measurement Indicators to the corresponding "Measurement Area" and "Measurement Grouping" identified in the PRM. There should be at least one Measurement Indicator for at least four different Measurement Areas (for each fiscal year). The PRM is available at www.egov.gov.

Table 2

Fiscal Year	Measurement Area	Measurement Grouping	Measurement Indicator	Baseline	Planned Improvement to the Baseline	Actual Results

EA

In order to successfully address this area of the business case and capital asset plan you must ensure the investment is included in the agency's EA and Capital Planning and Investment Control (CPIC) process, and is mapped to and supports the FEA. You must also ensure the business case demonstrates the relationship between the investment and the business, performance, data, services, application, and technology layers of the agency's EA.

1. Is this investment included in your agency's target enterprise architecture?

yes

2. Is this investment included in the agency's EA Transition Strategy?

yes

2.a. If yes, provide the investment name as identified in the Transition Strategy provided in the agency's most recent annual EA Assessment.

e-services

3. Identify the service components funded by this major IT investment (e.g., knowledge management, content management, customer relationship management, etc.). Provide this information in the format of the following table. For detailed guidance regarding components, please refer to http://www.whitehouse.gov/omb/egov/.

Component: Use existing SRM Components or identify as NEW. A NEW component is one not already identified as a service component in the FEA SRM.

Reused Name and UPI: A reused component is one being funded by another investment, but being used by this investment. Rather than answer yes or no, identify the reused service component funded by the other investment and identify the other investment using the Unique Project Identifier (UPI) code from the OMB Ex 300 or Ex 53 submission.

Internal or External Reuse?: Internal reuse is within an agency. For example, one agency within a department is reusing a service component provided by another agency within the same department. External reuse is one agency within a department reusing a service component provided by another agency in another department. A good example of this is an E-Gov initiative service being reused by multiple organizations across the federal government.

Funding Percentage: Please provide the percentage of the BY requested funding amount used for each service component listed in the table. If external, provide the funding level transferred to another agency to pay for the service.

	Agency Component Name	Agency Component Description	Service Type	Component	Reused Component Name	Reused UPI	Internal or External Reuse?	Funding %
1	Partner Relationship Management	Insuring that development of "two-way" transactions or interactions that build relationships across IRS organizational units and other external partners continue.	Customer Relationship Management	Partner Relationship Management			No Reuse	30
2	Personalization	Information is tailored and disseminated in a manner which meets the customer's needs.	Customer Preferences	Personalization			No Reuse	15
3	Content Publishing and Delivery	Important information regarding product availability, changes, as well as customer submission confirmation will be posted on the Internet or by e-mail notification as appropriate.	Content Management	Content Publishing and Delivery			No Reuse	10
4	Online Tutorials	On-Line guidance to assist customers in meeting specific application requirements.	Customer Initiated Assistance	Online Tutorials			No Reuse	5
5	Self-Service	Capability is provided to allow the customer to	Customer Initiated Assistance	Self-Service			No Reuse	30

		submit and obtain necessary information via Internet/Intranet access to applications.						

4. To demonstrate how this major IT investment aligns with the FEA Technical Reference Model (TRM), please list the Service Areas, Categories, Standards, and Service Specifications supporting this IT investment.

FEA SRM Component: Service Components identified in the previous question should be entered in this column. Please enter multiple rows for FEA SRM Components supported by multiple TRM Service Specifications.

Service Specification: In the Service Specification field, Agencies should provide information on the specified technical standard or vendor product mapped to the FEA TRM Service Standard, including model or version numbers, as appropriate.

	SRM Component	Service Area	Service Category	Service Standard	Service Specification (i.e., vendor and product name)
1	Personalization	Service Access and Delivery	Service Requirements	Legislative / Compliance	PeopleSoft People Tools
2	Partner Relationship Management	Service Access and Delivery	Service Requirements	Legislative / Compliance	PeopleSoft People Tools
3	Content Publishing and Delivery	Service Access and Delivery	Delivery Channels	Internet	IBM - WebSphere
4	Content Publishing and Delivery	Service Access and Delivery	Service Requirements	Legislative / Compliance	PeopleSoft People Tools
5	Content Publishing and Delivery	Service Access and Delivery	Service Requirements	Hosting	IBM Various - SUN Os
6	Online Tutorials	Service Access and Delivery	Service Requirements	Legislative / Compliance	PeopleSoft People Tools
7	Self-Service	Service Access and Delivery	Service Requirements	Legislative / Compliance	PeopleSoft People Tools

5.a. If yes, please describe.

No. This application will not leverage existing components and/or applications across the Government.

6. Does this investment provide the public with access to a government automated information system?

yes

6.a. If yes, does customer access require specific software (e.g., a specific web browser version)?

no

6.a.1. If yes, provide the specific product name(s) and version number(s) of the required software and the date when the public will be able to access this investment by any software (i.e. to ensure equitable and timely access of government information and services).

N/A

PART TWO

RISK

You should perform a risk assessment during the early planning and initial concept phase of the investment's life-cycle, develop a risk-adjusted life-cycle cost estimate and a plan to eliminate, mitigate or manage risk, and be actively managing risk throughout the investment's life-cycle.

Answer the following questions to describe how you are managing investment risks.

1. Does the investment have a Risk Management Plan?

yes

1.a. If yes, what is the date of the plan?	
2006-11-17	
3. Briefly describe how investment risks are reflected in the life cycle cost estimate and investment schedule: (O&M investments do NOT need to answer.)	
This life-cycle cost is Risk adjusted.	

COST & SCHEDULE
Does the earned value management system meet the criteria in ANSI/EIA Standard 748?
no
2.a. What is the Planned Value (PV)?
4.855
2.b. What is the Earned Value (EV)?
4.855
2.c. What is the actual cost of work performed (AC)?
4.854
What costs are included in the reported Cost/Schedule Performance information?
Contractor and Government
2.e. As of date:
2006-09-30
3. What is the calculated Schedule Performance Index (SPI= EV/PV)?
1
4. What is the schedule variance (SV = EV-PV)?
0.000
5. What is the calculated Cost Performance Index (CPI = EV/AC)?
1
6. What is the cost variance (CV = EV-AC)?
0.001
7. Is the CV or SV greater than 10%?
no
7.d. What is most current Estimate at Completion?
41.178
8. Have any significant changes been made to the baseline during the past fiscal year?
no